

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF SANITATION)	
DISTRICT NO. 1 OF CAMPBELL AND)	
KENTON COUNTIES FOR AUTHORITY)	
TO CONSTRUCT \$23,200,000 OF)	
FACILITIES; TO ISSUE REVENUE)	CASE NO. 9310
BONDS IN THE APPROXIMATE AMOUNT)	
OF \$15,475,000, AND TO DEFEASE)	
ALL NEW OUTSTANDING REVENUE)	
BONDS AMOUNTING TO \$20,620,000)	

O R D E R

It is Ordered that Sanitation District No. 1 of Campbell and Kenton Counties ("District") shall file an original and eight copies of the following information with this Commission, with a copy to all parties of record, by June 7, 1985.

1. Provide detailed information reflecting the short- and long-run effects of the District using the monies in the Special Funds Account for the defeasance of the outstanding bonds instead of issuing additional bonds for the defeasance. The interest income that would be earned from the monies left in the Special Funds Account after the defeasance should be included in projected revenue requirements. Also, provide with the study all assumptions used, including projected capital needs and cost of capital when the reserve funds are depleted.

2. Provide the calculations and assumptions the District has relied upon with regards to the District's anticipated results of the change in Federal Regulation of the issuance of tax-free debt.

Done at Frankfort, Kentucky, this 29th day of May, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Heman
For the Commission

ATTEST:

Secretary